

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: December 1, 2010

PAYROLL LETTER #10-019

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel/Payroll Services Division

RE: **CALENDAR YEAR END SEPARATION DEADLINES**

The final payroll cycle of the 2010 calendar year will be completed the evening of December 28, 2010 and will be dated December 29, 2010. After this date, there will be no means to withhold savings plus for the 2010 calendar year.

For retirement with special handling of lump sum cash outs, it is imperative that you review the available payroll cycle dates remaining in the calendar year to ensure that there are sufficient cycles to process the requested action. You will find this information in the Payroll Procedures Manual, Section D200 at <http://www.sco.ca.gov/Files-PPSD/PPM/d.pdf>. We are requesting your assistance in communicating to your agency's/campus' employees the importance of early contact regarding retirement and early submission of appropriate documents to our office so that we can meet the retiring employee's instruction for final pay.

For those employees who wish to defer some portion of their lump sum to savings plus in the current year, you must submit the separation PAR/PPT and supporting document(s), NRM-4074CA4(7/09). This form can be found on the Savings Plus Program web site, <https://www.nrsservicecenter.com/content/media/retail/pdfs/SPPFORU/forms/LumpSum.pdf>. If the employee is participating in the Savings Plus "Catch-Up" program, you must submit the approved "Catch Up" form with the PAR and the NRM-4074CA4. The form for "Catch Up" can be found at <https://www.nrsservicecenter.com/content/media/retail/pdfs/SPPFORU/forms/457catchup.pdf>.

You will also find information on the SCO web site regarding year end separations http://www.sco.ca.gov/Files-PPSD/yr_end_separation_hndbk.pdf. In this handbook, you will find information that will allow you to assist your retiring employees in making important decisions on how to treat their lump sum cash out. Please remember, it's important to cancel direct deposit for retiring employees. If you do so, you may then submit your documents to SCO early, allowing time to process the requested action through the employment history and payroll systems, leaving you time to review and verify the payments issued/deductions withheld. You are then in a position to hold the warrant until the employee's final day, at which time, you will release the payment to the employee.

For employees who are subject to self-directed furlough please reference Personnel Letter 09-013, page 7. The furlough EID remains on the separation transaction. Complete Item 962 on the separation PAR to pay the lump sum time at the unreduced rate.

You may FAX the PAR/PPT to our office, but please be careful that the savings plus or tax shelter annuity information in item 10 or remarks is clear. Do not reduce the size of the original document to the point where the data is too small to read. It is helpful if the item 10 remarks are also on the FAX cover sheet. Please do not call to verify that your FAX was received. If you receive an "OK" notification, then we have your documents and will work them in a timely manner. FAX documents to either of the following numbers: (916) 322-8137 or (916) 324-0704. Include your name and complete telephone number, including extension, so we can contact you if we have questions.

For questions regarding Savings Plus, please contact the Department of Personnel Administration, Savings Plus. For assistance with payroll related issues, please contact the appropriate liaison, Civil Service Payroll Liaison (916) 323-3081 or CSU Payroll Liaison (916) 322-7980.